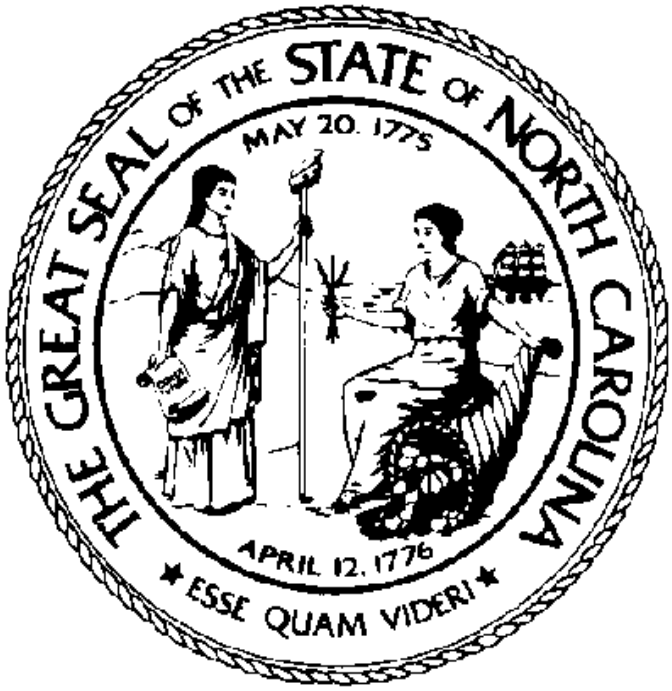
Guide to Standardized Administration of the DMH/DD/SAS Frequency and Extent of Monitoring Tool and the Provider Monitoring Tool for Local Management Entities



North Carolina Department of Health and Human Services

Division of Mental Health, Developmental Disabilities and Substance Abuse Services

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Table of Contents

I. INTRODUCTION 1

Background 1

Statutory Authority 1

Implementation 1

II. HOW TO USE THIS GUIDE 2

SECTION 1: GUIDELINES FOR COMPLETING THE FREQUENCY & EXTENT OF MONITORING (FEM) TOOL 4

Introduction 4

I. Provider's Performance 5
- A. Provider's Longevity 5
- B. Staff Competencies and Experience 6
- C. Provider's Local Collaboration Activities 6
- D. Data Submission 7
- E. Quality Management 7
- F. Addition of a New Service (if applicable) 8

II. Status with Other Agencies that Have Oversight Responsibilities 9
- A. Licensing Agency (if applicable) 9
- B. Division of Social Services (DSS) 10
- C. Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS) 10
- D. Division of Medical Assistance (DMA) (if applicable) 11
- E. Accrediting Organization 12
- F. Local Management Entity (LME) 12

III. Incident Reporting 13
- A. Provider Reporting of Incidents 13
- B. Provider Response to Incidents 14
- C. Patterns of Incidents 14

IV. Complaints 15
- A. Complaint Policies and Procedures 15
- B. Responsiveness to Complaints 15
- C. Patterns of Complaints 16

Monitoring Frequency Based on the FEM 16

SECTION 2: GUIDELINES FOR ADMINISTERING THE PROVIDER MONITORING TOOL 18

I. PURPOSE OF THE REVIEW..... 18

II. SCOPE OF THE REVIEW..... 18

III. DESCRIPTION OF THE TOOL..... 20

IV. WHEN TO USE THE TOOL..... 21

V. PHASES OF THE PROVIDER MONITORING PROCESS..... 21

VI. ORGANIZING THE MONITORING REVIEW TEAM FOR THE ON-SITE VISIT..... 22

VII. DESK REVIEW ACTIVITIES PRIOR TO THE ON-SITE REVIEW 22

VIII. SAMPLE SELECTION..... 22

IX. THE WORKSHEETS 23

Domain 1/Worksheet #1: Quality Management 23

Domain 2/Worksheet #2: Protection From Harm—Provider Response to Incidents and Complaints 24

Domain 3/Worksheet #3: Staff Competencies and Experience.....27

Domain 4/Worksheet #4: Person-Centered Planning/Person-Centered Services and Supports 30

Domain 5/Worksheet #5: Individual Rights 34

X. RATINGS..... 36

XI. DEBRIEFING..... 37

XII. PROVIDER MONITORING REPORT & REQUIRED ACTIONS 38

XIII. SUMMARY OF PROVIDER PERFORMANCE WITHIN THE LME CATCHMENT AREA..... 39

FEEDBACK 40

LIST OF APPENDICES 41

I. INTRODUCTION

Background

Local monitoring of mental health, developmental disabilities, and substance abuse provider agencies is one of the Local Management Entity's (LME) oversight responsibilities. These oversight activities also include endorsement, targeted monitoring, incident and complaint reporting, and periodic post-payment reviews. Appendix A describes various types monitoring and oversight activities involving providers of MH/DD/SA services (conducted by LMEs as well as other entities).

Statutory Authority

According to SB 163/GS 143B-139.1:
The Secretary of the Department of Health and Human Services may adopt rules applicable to local health and human services agencies for the purpose of program evaluation, fiscal audits, and collection of third-party payments. The secretary may adopt and enforce rules governing:

a. The monitoring of mental health, developmental disability, and substance abuse services.

According to SB 163/GS 122C-111:
The area authority or county program shall monitor the provision of mental health, developmental disabilities, or substance abuse services for compliance with law, which monitoring and management shall not supersede or duplicate the regulatory authority or functions of agencies of the Department.

SB 163 monitoring rules were established to assure monitoring of Category A and B providers of mental health, developmental disabilities, and substance abuse services. Rules under 10A NCAC 27G .0600 govern the Local Management Entity (LME) monitoring of the provision of public services in the LME's catchment area (see Appendix B). 10A NCAC 27G .0602 (10) categorizes providers as follows:

(a) Category A - facilities licensed pursuant to G.S. 122C, Article 2, except for hospitals; these include 24-hour residential facilities (including Psychiatric Residential Treatment Facilities [PRTFs]), day treatment and outpatient services (e.g. Substance Abuse Intensive Outpatient Program [SAIOP]);

(b) Category B – G.S. 122C, Article 2, community based providers not requiring State licensure

Implementation

The Frequency and Extent of Monitoring Tool (FEM) and the Provider Monitoring Tool (PMT) were developed to satisfy the requirements of SB163 and the rules developed as a result of it. 10A NCAC 27G .0608 addresses local monitoring (see Appendix B).

In 2006, the Confidence Grid Assessment was developed as an informal tool for use by the LMEs in their evaluations of providers. It was not created as a monitoring tool, but as a risk assessment. The tool was revised as the Frequency and Extent of Monitoring (FEM) Tool in

order to satisfy the requirements for local monitoring of providers as outlined in 10A NCAC 27G .0608 (see Appendix B). The FEM has been in use since June 2008. The FEM has been revised to reflect changes in the system. It now gives more weight to national accreditation and shortens the timeframes related to both provider longevity and the addition of a new service (refer to the FEM instructions later in this guide).

The Provider Monitoring Tool was developed to standardize local provider monitoring conducted by LMEs. The tool was developed by a workgroup with representatives from DMH/DD/SAS, LMEs and the provider community. It was field tested in November 2007, which resulted in refinements and improvements to the tool. It was then piloted by thirteen LMEs from September—November 2008. During the pilot period, DMH/DD/SAS conducted an Inter-Rater Reliability (IRR) study with four LMEs to determine the reliability of each subelement of the tool. Based on feedback from LMEs and providers as well as the experience of DMH/DD/SAS staff during the IRR study, the PMT as well as the process by which the tool is administered have been revised and streamlined. Appendix C highlights the most significant revisions to the subelements of the PMT.

Standardization of the provider monitoring process facilitates consistency and uniformity in monitoring the performance of providers as required by SB 163. The FEM and the PMT promote standardization of this process. These tools focus on key areas that are important in assessing the status of a provider with regard to compliance with requirements. The tools were developed as a means of identifying strengths and areas of noncompliance within provider agencies which may need further review.

Rapid changes in the MH/DD/SAS system have affected both providers and LMEs. Legislative mandates to streamline paperwork for LMEs and providers (SL 2009-451 10.18B) and budget reductions (SL 2009-451 10.19A, 10.68A) have led to revisions to documents and processes, including the PMT and the FEM. Other factors affecting the FEM and the PMT and how these tools are administered include the national accreditation of providers (SL 2008-107 10.15 A/GS 122C-81) and the mandate for no duplication of monitoring (SB 163/GS 122C-111). Both the FEM and PMT have been updated in response to the current status of our system and to serve as viable mechanisms to inform the Department and the public of the performance of our provider network and its relationship to outcomes for the people who use services. In the revision of the FEM, for example, more weight and credit are given to national accreditation and to the length of time a provider operates a given service. In addition, the organization of the PMT and the process by which it is administered have also changed. While the PMT remains the sanctioned tool for local monitoring, components of the tool, rather than the entire tool, can now be used. These revisions are discussed in further detail in this manual.

II. HOW TO USE THIS GUIDE

This guide was developed to instruct LMEs on the use of the Frequency and Extent of Monitoring Tool and the Provider Monitoring Tool. It details the monitoring process and provides specific instructions on the use of each tool. It may be printed out and used as a reference when administering either tool.

Section I of this guide is devoted to the process of completing the FEM, while section II details the monitoring process and provides specific instructions on the use of the PMT.

All the appendices referenced in this manual can be found on the Provider Monitoring web page at http://www.dhhs.state.nc.us/mhddsas/provider_monitor_tool/index.htm.

SECTION 1: GUIDELINES FOR COMPLETING THE FREQUENCY & EXTENT OF MONITORING (FEM) TOOL

Introduction

The purpose of the FEM is to assist the LME in determining and scheduling the frequency and extent of **local monitoring** for individual MH/DD/SA service providers in their catchment area. Initially, the tool is to be completed following the LME's endorsement review or upon licensure or contract with the LME. It is to be updated based on the receipt of additional information or when significant changes occur to the extent that the previous FEM does not accurately reflect the provider's **current** level of performance. The FEM may also be updated upon the request of the provider. The FEM is designed to be a desk review based upon the LME's knowledge of the provider's **current** performance. The FEM is a fluid document and should be updated as needed to reflect the provider's **current** status based on the information received from a variety of sources on an ongoing basis about a provider's performance. This means the FEM will typically need to be updated periodically (for example, after a monitoring review or when the provider's status with an oversight agency changes). Minimally, the FEM is completed every three years; however, with such rapid changes in the system, it is anticipated that the FEM will need to be updated more often in order to reflect a provider's **current** status.

If, in the interest of expediting the completion of this Frequency and Extent of Monitoring Tool, the LME chooses to accept a provider's statement in lieu of primary source verification or reviewing the provider's records, the LME should verify the accuracy of the information provided during its next scheduled monitoring visit or endorsement review.

The Frequency and Extent of Monitoring Tool is organized into four sections or domains. (Appendix D contains a link to the FEM tool) Each domain is further divided into 3 to 6 subdomains for a total of 18 subdomains. Refer to Appendices E and F for citations for each of the domains of the FEM. Each subdomain is scored according to criteria listed in the tool. The tool automatically generates an "Overall Score" on the top of the first page of the tool. The overall score is then matched to a table on the first page of the tool that lists the corresponding frequency for conducting scheduled monitoring.

The extent to which a provider is monitored and the focus of the monitoring will largely depend on what the LME finds during its routine and targeted monitoring visits. For providers that receive high scores on the Frequency and Extent of Monitoring Tool and that do well during provider monitoring visits, routine monitoring will be less frequent, and the extent to which the provider may be monitored will be commensurate with the provider's outcome on the Frequency and Extent of Monitoring Tool. For providers that receive low scores on the Frequency and Extent of Monitoring Tool or have concerns noted during provider monitoring visits, routine monitoring will be more frequent, and the extent to which the provider is monitored may have more depth in scope. In addition, the monitoring may target the areas in which issues or concerns have been noted, or be used to assess progress on plans of correction or improvement plans to assess the effectiveness of actions taken.

A description of each domain/subdomain and instructions for using the tool are provided below.

I. Provider's Performance

This domain evaluates the provider's experience and performance as a service provider in North Carolina guided by current State policy. It examines the provider's longevity, staff competencies and experience, participation in local collaboration, compliance with data submission requirements, quality management processes, and whether or not the provider has added a new service.

In any of the areas being assessed, if the provider has already submitted this information to another LME, the monitoring LME should request that information from the other LME rather than require the provider to resubmit the information [10A NCAC 27G,0601(d)(1)]. It is important to acknowledge that there may be differences in provider performance from one site to another (e.g., due to staffing or program variations) where it would be appropriate to administer a FEM on the same provider in more than one catchment area, however, in lieu of undertaking its own review, the monitoring LME should accept the current assessment of the other LME when possible. In an effort to reduce administrative burden, it is the State's position that assessment of provider performance should not be duplicative. There are some domains of the FEM (e.g., especially with respect to agency policies and procedures for Quality Management or personnel) that are standard and consistent across all programs operated by the provider organization. If it is necessary to administer a separate FEM, those elements of the provider agency's operations that are uniformly carried out across the agency should not be repeated. The FEM should only be administered more than once when there is sufficient justification for doing so.

A. Provider's Longevity

Measure: The provider has served persons within the relevant MH/DD/SA population(s) for a period of time sufficient to establish a record of satisfactory service.

Method: The Monitoring LME shall request evidence of how long the provider has served the relevant population(s) with MH, DD or SA issues in North Carolina and had experience as a provider of publicly-funded services. Evidence may include, but is not limited to, charter documents, business startup documents, and/or contracts or provider service agreements with Local Management Entities or the State. The Monitoring LME shall verify this information through the Secretary of State's website or some other appropriate board or registry.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: The provider has been serving persons with MH/DD/SA disorders in North Carolina for a period of three (3) or more years.

Moderate: The provider has been serving persons with MH/DD/SA disorders in North Carolina for at least one (1) year, but less than three (3) years.

Low: The provider has been serving persons with MH/DD/SA disorders for less than one (1) year in North Carolina.

Interpretive Note: The stability of the organization across time with respect to tenure of key administrative and program staff and the effectiveness of its board of directors in providing

oversight of the organization are key considerations here. If a provider organization has been an ongoing entity, with no or few changes in proprietor(s), business officers, leadership or administrative infrastructure, for the period of time indicated and remained in good standing with all regulatory and monitoring agencies, the full period of time should be credited even though the organization may have changed names, merged, or spun off from another agency. If the proprietor(s) and business officers of the provider organization have changed substantially, the time credited should be counted from the time that the change took place and the current agency assumed responsibility.

B. Staff Competencies and Experience

Measure: The provider's staff members have established levels of competency in their fields of practice.

Method: The Monitoring LME shall request evidence of how long the provider's employees have served the relevant population(s) with MH, DD, or SA in similar roles. Evidence may include personnel records, training records, and licensure records. The Monitoring LME should verify this information.

If the Monitoring LME can determine that another LME has performed a current assessment of this provider's records, in lieu of undertaking its own research, the Monitoring LME should accept the assessment of the other LME.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: A minimum of 75% of the provider's employees are trained and credentialed and have served in their current or similar roles for at least five (5) years.

Moderate: Between 50% - 74% of the provider's employees are trained and credentialed and have served in their current or similar roles for at least five (5) years.

Low: Fewer than 50% of the provider's employees are trained and credentialed and have served in their current or similar roles for at least five (5) years.

C. Provider's Local Collaboration Activities

Measure: The provider has established a record of satisfaction and reliability in working collaboratively with individuals/families and other providers and agencies around individual service planning as well as efforts to strengthen service provision in the community.

Method: The Monitoring LME shall obtain information about the provider's collaboration efforts from references supplied by the provider as well as from other reliable sources. Evidence may include, but is not limited to, references supplied by the provider; feedback solicited from individuals/families, other providers, professional organizations, advocacy groups; the monitoring LME's observation and experience; the experience of other LMEs, local agencies in the community; and other sources that may be knowledgeable about the provider's collaboration efforts.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: During the past two (2) years the provider actively participated in collaborative efforts both on the individual level (e.g., through person-centered planning treatment teams) as well as at the community level (e.g. through collaboratives whose purpose is to improve services to individuals/families in the community).

Moderate: During the past two (2) years the provider regularly participated in collaborative efforts at the individual level (e.g., through person-centered planning for individuals/families).

Low: There is no evidence that the provider participated in collaborative efforts during the past two (2) years either at the individual level (e.g., through person-centered planning treatment teams) or at the community level (e.g., through collaboratives whose purpose is to improve services to individuals/families n the community).

D. Data Submission

Measure: The provider has established a record of satisfaction and reliability in correctly completing State-mandated forms and documentation and submitting to the LME within the required timeframes.

Method: The Monitoring LME will have this information in its records of data collection from the provider.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: During the past two (2) years, the provider submitted to the LME 90% or more of the required forms and documentation with complete and accurate information within the time-frames specified by the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS).

Moderate: During the past two (2) years, the provider submitted to the LME 70%-89% of the required forms and documentation with complete and accurate information within the time-frames specified by DMH/DD/SAS.

Low: During the past two (2) years, the provider submitted to the LME less than 70% of the required forms and documentation with complete and accurate information within the time-frames specified by DMH/DD/SAS.

E. Quality Management

Measure: The provider has developed and implemented a Quality Management (QM) Plan in accordance with NC DHHS policies and the standard agreement with the LME. The Plan shall include both Quality Assurance (QA) and Quality Improvement (QI) activities and processes.

Method: The Monitoring LME shall obtain this information during its site visit and monitoring for endorsement. Policies and procedures, employee interviews, minutes from QI Committee meetings and written documents demonstrating the provider's use of data to monitor quality and to identify issues needing improvement will serve as evidence.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: (1) Provider has a QM Plan that integrates both QA and QI processes throughout its organization with its clinical and business practices and satisfies NC DHHS and LME requirements for QM Programs; (2) Provider staff have a good understanding of QA and QI principles and the provider's QM Program; (3) Provider has 2 or more years experience successfully operating under its Plan and working cooperatively with the LME around QM issues; and (4) Provider routinely uses data (such as incident reports, complaints, customer satisfaction surveys, staff feedback, outcome data, etc.) to monitor quality and to identify issues needing improvement.

Moderate: (1) Provider has a QM Plan that integrates both QA and QI processes throughout its organization with its clinical and business practices and satisfies NC DHHS and LME requirements for QM Programs; (2) Provider staff have a good understanding of QA and QI principles and the provider's QM Program; (3) Provider has fewer than 2 years experience successfully operating under its Plan and working cooperatively with the LME around QM issues; and (4) Provider occasionally uses data (such as incident reports, complaints, customer satisfaction surveys, staff feedback, outcome data, etc.) to monitor quality and to identify issues needing improvement.

Low: (1) Provider has a QM Plan that meets NC DHHS and LME requirements, but staff do not have a good understanding of the Plan, or the Plan has not been fully implemented, or the provider has <6 months experience successfully operating under its Plan and working with the LME around QM issues; or (2) Provider does not have a QM Plan; or (3) Provider has a QM Plan that does not fully meet NC DHHS or LME requirements; or (4) Provider does not have a good history of working cooperatively with the LME around QM issues; or (5) Provider does not use data to monitor quality and to identify issues needing improvement.

F. Addition of a New Service (if applicable)

Measure: The provider has added a new service within the past year. This measure complements the Provider's Longevity measure and allows the Monitoring LME to take into account new services that the provider may have added to its service array.

Method: The Monitoring LME shall verify the beginning date of a new service by contacting the provider or the appropriate licensing, accrediting, endorsing, or billing approval agency for the service. For example, that may be the Division of Health Service Regulation (DHSR) for a license date, an LME for the date the service was endorsed, DMA or DMH/DD/SAS for the date of approval of a provider number for the service, an accrediting organization for the date the service was accredited. The Monitoring LME may accept the provider's statement of the begin date of the service or verify that statement by contacting the appropriate agency. .

Scoring: Enter "High", "Moderate", "Low", or "N/A" based on the following criteria:

High: The provider has provided the new service(s) in other locations for a period of three (3) or more years.

Moderate: The provider has provided the new service(s) in other locations for a period of at least one (1) year but less than three (3) years.

Low: The provider has not provided the new service(s) for less than one (1) year in any location.

N/A: Not Applicable. The provider has not added a new service in the past year.

II. Status with Other Agencies that Have Oversight Responsibilities

This domain evaluates the provider's standing with agencies that have oversight and monitoring responsibilities. It examines the provider's compliance with applicable DHSR or Division of Social Services (DSS) licensure standards; allegations of abuse, neglect, or exploitation reported to DSS; compliance with Division of Medical Assistance (DMA) and Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS) service requirements; and accreditation status. In this section the LME will not duplicate any monitoring by the other agencies but will verify information whether the provider is in good standing with these oversight agencies and with the LME itself.

A. Licensing Agency (if applicable)

Measure: If the provider is required to be licensed by DHSR or DSS, records from the Division of Health Service Regulation or Division of Social Services indicate that the provider has a record of compliance with licensure standards and is in good standing.

Method: If the provider is licensed for the particular service(s) being monitored, the Monitoring LME shall request and evaluate information from the relevant licensing agency about the provider's record of compliance with licensure standards over the past two years. The evaluation of this information shall consider the number, type, and nature of any citations; any actions against the provider's license (fines, suspensions, revocations); whether identified areas of non-compliance have been resolved, and the provider's standing with the agency.

Scoring: Enter "High", "Moderate", "Low", or "N/A" based on the following criteria:

High: The provider has a current license (not provisional). The provider has been licensed for at least 2 years. The provider has had no citations for Type A or B non-compliance during the past 2 years. The provider may have received other citations for non-compliance with standards. If this is the case, all areas of non-compliance have been resolved.

Moderate: The provider has a current license (not provisional). The provider has been cited for a Type A or B non-compliance on no more than one occasion within the past 2 years; OR the provider has been licensed for <2 years and has had no Type A or B citations for non-compliance during this period. The provider may have received other citations for non-compliance with standards. If this is the case, all areas of non-compliance have been resolved.

Low: The provider is a new provider (serving individuals/families <6 months); OR the provider has a provisional license; OR the provider has been cited for non-compliance within the past 2 years and has unresolved areas of non-compliance, OR the provider has been fined or had its license suspended or revoked within the past 2 years; OR the provider has been cited for a Type A or B non-compliance on more than one occasion within the past 2 years; OR the provider has received 2 or more repeat deficiencies for the same issues; OR the provider has not been surveyed during the past 3 years.

N/A: Not Applicable. The provider is not required to be licensed by DHSR or DSS.

B. Division of Social Services (DSS)

Measure: The records from the Division of Social Services indicate that the provider has no history of abuse, neglect, or exploitation. It should be noted that DSS may categorize exploitation under neglect.

Method: The Monitoring LME shall request and evaluate information from the Division of Social Services about the provider's history of allegations of abuse, neglect, and/or exploitation over the past two years (including substantiated and unsubstantiated allegations); citations received; actions against the provider (fines, licensure actions, corrective action plans, criminal charges, convictions, etc).

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: The provider has been serving individuals/families for at least 2 years and has had no substantiated allegations of abuse, neglect, or exploitation during the past 2 years.

Moderate: The provider has had no more than one substantiated allegation of abuse, neglect, or exploitation within the past 2 years. Corrective action has been completed, and all areas of non-compliance have been resolved; OR the provider has had 2 or more allegations of abuse, neglect, or exploitation within the past 2 years on behalf of different individuals/families (whether substantiated or not); OR the provider has been serving individuals/families for <2 years, and has had no substantiated allegations of abuse, neglect, or exploitation during this period.

Low: The provider is a new provider (serving individuals/families <6 months); OR the provider has been cited for abuse, neglect, or exploitation within the past 2 years and has unresolved areas of non-compliance; OR the provider has been fined or had its license or provider status downgraded, suspended, or revoked within the past 2 years due to a substantiated allegation of abuse, neglect, or exploitation; OR the provider has had more than one substantiated allegation of abuse, neglect, or exploitation within the past 2 years.

C. Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS)

Measure: The records from the DMH/DD/SAS indicate that the provider is in compliance with the service requirements monitored by DMH/DD/SAS.

Method: The Monitoring LME shall request and evaluate information from DMH/DD/SAS about the provider's compliance with service requirements over the past two years to determine the provider's standing with the Division. This information would include substantiated findings as a result of complaint investigations and audit findings (unless these findings resulted in a payback or recoupment by DMA Program Integrity, in which case, such payback would be considered in evaluating the provider's standing with DMA). Medicaid audit findings which do not result in a payback are included in the assessment of the provider's standing with DMH/DD/SAS. Any finding that results in a payback should be incorporated into the LME's assessment of the provider's standing with DMA to avoid the provider being put in double jeopardy for the same audit event. (See D. Division of Medical Assistance below).

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: The provider has been serving individuals/families for at least 2 years. The provider has had no substantiated findings or citations for non-compliance during the past 2 years. The provider scored at least 90% compliance on the most recent audit during the past 2 years or was not audited during this period.

Moderate: The provider has had substantiated findings or been cited for non-compliance during the past 2 years, but all areas of non-compliance have been resolved; OR the provider has been serving individuals/families for <2 years and has had no substantiated findings or no citations for non-compliance during this period; OR the provider scored 70% to 89% compliance on the most recent audit during the past 2 years or was not audited during this period.

Low: The provider is a new provider (serving individuals/families for <6 months); OR the provider has had substantiated findings or been cited for non-compliance(s) during the past 2 years and has unresolved areas of non-compliance; OR the provider had its provider status suspended or revoked during the past 2 years; OR the provider scored <70% compliance on the most recent audit during the past 2 years; OR the provider has not been audited during the past 3 years.

D. Division of Medical Assistance (DMA) (if applicable)

Measure: If the provider is a current or a former Medicaid provider within the past 3 years, the records from the Division of Medical Assistance indicate that the provider has a record of compliance with Medicaid requirements and is (or was) in good standing.

Method: If the provider provides Medicaid-funded services, the Monitoring LME shall request and evaluate information from the Division of Medical Assistance about the provider's standing as a Medicaid provider (e.g., enrollment terminations, Program Integrity issues or areas of non-compliance). If the findings of a DMH/DD/SAS-conducted Medicaid audit resulted in a payback or recoupment of funds, this would be reflected in the LME's rating of the provider's standing with DMA.

Scoring: Enter "High", "Moderate", "Low", or "N/A" based on the following criteria:

High: The provider has been serving individuals/families for at least 2 years and has had no Program Integrity issues or citations for non-compliance during the past 2 years. The provider is (or was) in good standing with DMA during this period.

Moderate: The provider has had Program Integrity issues or has been cited for non-compliance during the past 2 years, but all issues and areas of non-compliance have been resolved; OR the provider has been serving individuals/families for <2 years and has had no Program Integrity issues or citations for non-compliance during this period; AND the provider is (or was) in good standing with DMA during this period.

Low: This is a new provider who has been serving individuals/families for <6 months; OR the provider has been cited for Program Integrity issues or non-compliance(s) during the past 2 years and has unresolved issues or citations for non-compliance; OR the provider's enrollment was terminated by DMA within the past 3 years; OR the provider is not in good standing with DMA.

N/A: Not Applicable. During the past three years, the provider was not enrolled as a Medicaid provider and did not provide any Medicaid-funded services.

E. Accrediting Organization

Measure: The provider maintains current accreditation and is in good standing with a national accreditation organization recognized by NC DHHS (e.g. The Joint Commission, CARF, COA or the Council on Quality and Leadership).

Method: If the provider is accredited by or working towards accreditation by one of the approved accreditation organizations listed above, the Monitoring LME shall request and evaluate information on the provider's accreditation status and standing with that accrediting organization along with the provider's record of complying with the standards of the accrediting organization.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: The provider has been accredited for the full period of time possible, and the provider is in good standing with the accrediting organization.

Moderate: The provider has been provisionally accredited or has been accredited for less than the full period of time possible, and the provider is in good standing with the accrediting organization; OR if not previously accredited, the provider is pursuing accreditation with a recognized accreditation organization.

Low: The provider is not accredited by one of the recognized accreditation organizations and is not actively pursuing accreditation; OR the provider had its accreditation denied, downgraded, suspended, or revoked within the past 2 years; OR the provider is not in good standing with the accrediting organization.

F. Local Management Entity (LME)

Measure: The provider maintains current endorsement by the LME for the publicly-funded services it provides, and through the LME's monitoring efforts is determined to be in compliance with its MOA and/or contract and is in good standing with the LME.

Method: The Monitoring LME shall evaluate available information related to the provider's endorsement status, compliance with its MOA and/or contract during the past two years, and current standing. In addition, the LME will assess the provider's administrative infrastructure through the review of information including, but not limited to, Secretary of State forms, IRS reporting and submission of annual reports to SOS.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: The provider has received full endorsement. The provider is in good standing with the LME. The provider has been serving individuals/families for at least 2 years. No LME monitoring issues that required a Plan of Correction have been identified during the past 2 years.

Moderate: The provider has received full endorsement. The provider is in good standing with the LME. The provider has been serving individuals/families for <2 years. No LME monitoring issues that required a Plan of Correction have been identified during this period, or LME monitoring issues that required a Plan of Correction were identified during the past 2 years, but

they were related to administrative infrastructure and did not have an impact on outcomes for people receiving services, and they are being or have been resolved in a timely manner.

Low: This is a new provider who has been serving individuals/families for <6 months; OR the provider is not in good standing with the LME despite technical assistance provided; OR LME monitoring issues that required a Plan of Correction were identified during the past 2 years that have a direct relationship to outcomes for people receiving services, or represent repeat issues that indicate that prior improvement efforts were ineffective, or the issues are not being or were not resolved in a timely manner.

III. Incident Reporting

This domain evaluates the provider's incident reporting over the past two years. It examines whether the provider documents and submits incident reports as required by 10A NCAC 27G .0600, whether the provider responds to incidents as required, and whether an analysis of reported incidents indicates the nature, numbers, and/or patterns of incidents are not unusual compared to other similar providers of like services that serve similar individuals/families and do not indicate an undue risk to people's health, safety, or well-being.

A. Provider Reporting of Incidents

Measure: The provider documents and submits incident reports and quarterly summary reports as required by 10A NCAC 27G .0600.

Method: The Monitoring LME shall evaluate incident reports submitted by the provider over the past two years to determine if the incident reports were documented and submitted within the timeframes specified in rule and were consistently accurate and complete.

Scoring: Enter "High", "Moderate", "Low", or "N/A" based on the following criteria:

High: Over the past two years, the provider accurately documented and submitted on time all Level II and III incident reports and quarterly Level I incident report summaries, as required. Any information that may not have been available at the time of a Level II or III incident report was provided in a timely manner as soon as it was available.

Moderate: Over the past two years, for Level III incident reports, there were no late submissions or failure to submit; for Level II incident reports, 95% were documented and submitted in a timely manner as required; for Level I quarterly incident report summaries, there were no more than two late submissions or failure to submit; and information that may not have been available at the time of a Level II or III incident report was provided in a timely manner as soon as it was available.

Low: Over the past two years, the provider had one or more late submission or failure to submit a Level III incident report', less than 95% of Level II incident reports were documented and submitted in a timely manner as required, more than two late submissions or failure to submit a quarterly Level I incident report, or information that may not have been available at the time of a Level II or III incident report was not provided in a timely manner as soon as it was available.

Refer to the Provider Monitoring Tool instructions for Domain 2/Worksheet 2: Protection from Harm -- Provider Response to Incidents and Complaints for a definition of Level I, II and III incidents.

B. Provider Response to Incidents

Measure: The provider's response to Level II or III incidents adheres to requirements for responding to incidents in 10A NCAC 27G .0600.

Method: The Monitoring LME shall evaluate Level II and III incident reports submitted by Category A and B providers and any information obtained during monitoring visits that were conducted over the past two years to determine if the provider's response to Level II and III incidents adheres to requirements in the NC Administrative Code for responding to incidents.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: Over the past two years, the provider has consistently responded to incidents according to requirements.

Moderate: Over the past two years, the provider has consistently responded to incidents according to requirements with no more than one Level III incident and five (5) or fewer Level II incidents that did not meet response requirements.

Low: Over the past two years, the provider has not met incident response requirements for two (2) or more Level III incidents or more than five (5) Level II incidents.

C. Patterns of Incidents

Measure: The nature, number and/or patterns of incidents reported are not unusual compared to similar providers and do not indicate an undue risk to people's health, safety or well-being.

Method: The Monitoring LME shall evaluate incident report data for the provider and compare that data to data for similar providers of like services serving similar individuals/families for patterns, trends and spikes over the past two years. The LME shall determine whether the data indicate that the number of incidents for the provider is unusually high or low or that there might be a problematic pattern or an undue risk to people's health, safety or well-being.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: An analysis of the nature, numbers, and/or patterns of incidents reported for the provider over the past two years shows no problematic trends or spikes.

Moderate: An analysis of the nature, numbers, and/or patterns of incidents reported for the provider over the past two years is comparatively higher or lower than other providers of like services serving similar individuals/families in two consecutive quarters.

Low: An analysis of the nature, numbers, and/or patterns of incidents reported for the provider over the past two years is comparatively higher or lower than other providers of like services serving similar individuals/families in three or more quarters.

IV. Complaints

This domain evaluates the provider's system for receiving and handling complaints and the nature, number, and/or patterns of complaints about the provider over the past two years. It examines the provider's complaint policies and procedures and efforts to inform individuals/families about the same. This domain examines the provider's responsiveness to complaints, and it examines the nature, number, and/or patterns of complaints received to ensure that they are not unusual compared to other providers of like services serving similar individuals/families and do not indicate an undue risk to people's health, safety, or well-being.

A. Complaint Policies and Procedures

Measure: The provider has developed and implemented policies and procedures for receiving and handling complaints. The provider informs individuals/families of its policy and procedures, appropriately handles complaints received, and monitors complaint patterns and trends.

Method: The Monitoring LME shall evaluate the provider's complaint policy and procedures to ensure that it addresses how it will receive and handle complaints, inform individuals/families about the policy and procedures, monitor complaint data for patterns and trends and use this information to improve services. The LME shall review provider documentation and any other evidence obtained during its endorsement review or other monitoring visit(s) over the past two years to verify that the provider's complaint policy is being implemented as written.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: The provider has a written complaint policy that has been consistently implemented over the past two years. Individuals/families are routinely informed about its policy and procedures as evidenced by individual or legal guardian signatures acknowledging receipt.

Moderate: The provider has a written complaints policy, but evidence over the past two years indicates inconsistent implementation, and there is no documented evidence that individuals/families are routinely informed of the policy.

Low: The provider does not have a written consumer complaint policy, or the policy has not been implemented. Individuals/families are not informed of how to submit complaints.

B. Responsiveness to Complaints

Measure: The provider is responsive to the complaints that it receives and to the LME's efforts to investigate and resolve any complaints the LME receives about the provider.

Method: The Monitoring LME shall review its own record of complaints received about the provider and any other information it may have from endorsement reviews and/or other monitoring visits over the past two years. This would include the provider's complaint history with other LMEs, DMH/DD/SAS and with other regulatory agencies. Evidence of the provider's responsiveness to complaints and cooperation with the LME customer service office in investigating and resolving complaints and completing required plans of correction shall be

taken into consideration. The Monitoring LME shall also review the provider's documentation of complaints and their resolution.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: Over the past two years, the provider has consistently been responsive to receiving and responding to complaints in a timely manner, has always been cooperative with the LME in investigations of complaints, and if corrective action was requested, the provider always completed it in a timely manner.

Moderate: Over the past two years, the provider failed to investigate or attempt to resolve a complaint in no more than two (2) instances, and there were no cases of failing to be responsive to LME efforts to investigate and resolve a complaint or to complete requested corrective action in accordance with 10A NCAC 27G .0607.

Low: Over the past two years, the provider failed to investigate or attempt to resolve a complaint in 3 or more instances, or the provider failed to be responsive to LME efforts to investigate and resolve a complaint, or the provider failed to complete requested corrective action in accordance with 10A NCAC 27G .0607.

C. Patterns of Complaints

Measure: The nature, number and/or patterns of complaints reported are not unusual compared to similar providers of like services and do not indicate an undue risk to people's health, safety or well-being.

Method: The Monitoring LME shall review the nature, number and/or patterns of complaints received about the provider over the past two years compared to complaints received regarding other providers of like services with similar individuals/families for problematic spikes and trends and indications of undue risk to people's health, safety or well-being.

Scoring: Enter "High", "Moderate", or "Low" based on the following criteria:

High: The analysis of the complaints received for the provider over the past two years shows no problematic trends or spikes and is not unusual compared to other providers of like services treating similar individuals/families.

Moderate: Analysis of the complaints received for the provider over the past two years indicates the nature, numbers, and/or patterns of complaints reported is comparatively higher than other providers of like services treating similar individuals/families in two consecutive quarters.

Low: Analysis of the complaints received for the provider over the past two years indicates the nature, numbers, and/or patterns of complaints reported appears to be unjustifiably higher than other similar providers of like services serving similar individuals/families in three or more quarters.

Monitoring Frequency Based on the FEM

The provider's overall score on the FEM determines the frequency of monitoring as follows:

High: Onsite regularly scheduled local monitoring a minimum of once every three years. This may coincide with re-endorsement.

Moderate: Onsite regularly scheduled local monitoring a minimum of once every 12 - 18 months, as appropriate.

Low: Onsite regularly scheduled local monitoring a minimum of two times per year, as appropriate. (Of the two visits, the appropriate component(s) of the standardized provider monitoring tool must be used for only one of the local monitoring events. Other site visits, including for the purpose of targeted monitoring, may qualify as the second visit).

The FEM is a desk review. It is a fluid, dynamic tool that should be updated when the LME has information on changes in the provider's status that affect the domains on the FEM. The FEM should accurately reflect the provider's **current** level of performance.

SECTION 2: GUIDELINES FOR ADMINISTERING THE PROVIDER MONITORING TOOL

I. PURPOSE OF THE REVIEW

The Provider Monitoring Tool (PMT) is the tool used by the LME after the FEM has been completed. The purpose of the Provider Monitoring Tool is to provide a standardized tool for LMEs to use when conducting local provider monitoring.

According to 10A NCAC 27G .0602 (8):

> "Local Monitoring" means area authority or county program monitoring of the provision of public services in its catchment area that are provided by Category A and B providers. The area authority or county program shall collaborate with State Agencies and other local agencies to ensure statewide oversight of Category A and B providers.

Per GS 122C-111, the monitoring of MH/DD/SA services done by the area authority or county program "shall not supersede or duplicate the regulatory authority or functions of agencies of the Department."

II. SCOPE OF THE REVIEW

The Provider Monitoring Tool is designed to:

- Assess provider performance in a given area or areas in an efficient manner
- Identify areas requiring more follow-up or in-depth inquiry

The tool identifies key areas of performance that are critical in assuring compliance in the provision of services to individuals/families. It enables LMEs to identify "red flags" or triggers to direct staff resources where they are most needed for more in-depth or targeted monitoring. This tool does not cover every DMH/DD/SAS requirement, nor is it intended to be used for clinical reviews or in-depth reviews of specific services; however, the tool assesses areas deemed to be critical to the provision of quality services and is grounded in rule. Appendices G and H outline the rule, statute, or policy that applies to each area assessed by the tool.

The PMT is intended to assess a provider's performance in a certain area or areas across all its services; it is not intended to be used to review each site a provider agency has or each service provided separately. The tool is not intended to be used in isolation to make re-endorsement decisions, but it can be used to augment the process. The process is not intended to duplicate other oversight responsibility outside DMH/DD/SAS.

To ensure standardization, no other monitoring activities should be conducted and no additional elements/items added during the administration of the Provider Monitoring Tool. Targeted or focused monitoring should be conducted as separate monitoring events.

This tool is designed to be used for routine local monitoring of Category A and B providers of Medicaid-funded services (fee-for-service and CAP-MR/DD Waiver) and State-funded services, including alternative services. CAP-MR/DD services should not be reviewed as individual services, but according to the clusters outlined in Appendix I. Until Community Support-Individual and Community Support –Group phase out and are no longer billable services,

Community Support-Individual (i.e., Community Support-Adult, Community Support-Children/Adolescents), and Community Support-Group are also treated as a cluster with all populations represented in the sample to the extent possible. Note that at this time, until Community Support services are completely phased out, only the case management function of Community Support is billable. Community Support Team is a separate service and should not be grouped with Community Support-Adult, Community Support-Children/Adolescents, and Community Support-Group.

Now more than ever, it is important for LMEs to look at all the information available to them concerning a provider's performance to determine when or if more specific and/or pervasive monitoring is indicated. Appendix A outlines various types of monitoring and oversight which are sources of information about a provider's performance. When the information from these various sources identifies compliance issues, those issues should be evaluated by the LME and a determination made as to whether additional monitoring is required by the LME or whether the issues identified need to be referred to another oversight agency as appropriate. Collaboration and communication are encouraged between regulatory authorities (e.g. the LME and other regulatory agencies).

Per 10A NCAC 27G .0608 (a)(3): "For Category A service providers, the LME shall defer to the Division of Health Service Regulation in the monitoring of any component of services provided which is an element of rule that is monitored by the Division of Health Service Regulation. For Category A providers, the LME shall monitor all components of services provided which are not found in Rule." This does not preclude the LME from monitoring Category A providers if issues are identified that fall within the purview of the LME (e.g., concerns about whether the provider is meeting the requirements of a service definition). After a careful review of all available information, the LME may conduct monitoring based on the need to monitor or investigate a particular situation. To ensure proper delineation of roles and to avoid further duplication, however, the LME should communicate, coordinate, and collaborate with DHSR.

This tool is not intended to be used in the monitoring of Category C providers (hospitals, state-operated facilities, nursing homes, adult care homes, family care homes, foster care homes or child care facilities) or Category D providers (practitioners providing only outpatient or day services and are licensed or certified to practice in the State of North Carolina).

The Provider Monitoring Tool is designed to enable LMEs to assess provider agencies within their catchment areas that serve individuals/families funded by Medicaid and/or State appropriations on two levels:

- Organizational Level: Reviews the agency's quality management program, the documentation and verification of staff competencies, experience and training, and the response to incidents and complaints.

- Person-Centered Level: Reviews the various services the agency provides to individuals/families to assess the provision of person-centered planning, person-centered services and supports, and safeguarding individual rights

In addition to performing regularly scheduled local monitoring, the LME may choose to conduct supplemental targeted monitoring if issues or concerns are identified during routine monitoring or as a result of information obtained from other sources (including, but not limited to, a complaint investigation, incident investigation, audit, feedback from another oversight agency, or analysis of provider incidents, complaints, or performance data). If not already identified

through other means, low scores on portions of the Frequency and Extent of Monitoring Tool may indicate areas where a provider may benefit from technical assistance or targeted monitoring.

III. DESCRIPTION OF THE TOOL

The Provider Monitoring Tool is divided into five domains:
Organizational Domains:

1. Quality Management
2. Protection from Harm—Provider Response to Incidents and Complaints
3. Staff Competencies and Experience

Person-Centered Domains:

4. Person-Centered Planning, Services & Supports
5. Individual Rights

Each domain is represented in a separate worksheet/component of the tool and is divided into Key Elements as outlined below.

Domain 1: Quality Management

- 1A-Quality Management Plan
- 1B-Quality Assurance/Quality Improvement Activities
- 1C-Use of Data for Quality Management
- 1D-Use of Incident/Complaint Data for Risk Management
- 1E-Safeguarding Rights

Domain 2: Protection from Harm—Provider Response to Incidents and Complaints

- 2A-Incident Reporting (Categorization)
- 2B-Incident Reporting (Notification)
- 2C-Timely Submission of Incidents
- 2D-Response to Incidents
- 2E-Response to Complaints

Domain 3: Staff Competencies and Experience

- 3A-Qualifications/Experience
- 3B-Background Checks/Disclosures
- 3C-Job Description Meets Requirements
- 3D-Clinical Supervision
- 3E-Required Training

Domain 4: Person-Centered Planning, Supports, and Services

- 4A-PCP Incorporates Assessment
- 4B-Plan Addresses Individual's Preferences/Needs
- 4C-Crisis Plan
- 4D-Qualified Professional Monitors Implementation and Revises
- 4E-Service Implementation
- 4F-Coordination of Services
- 4G-Need for Changes Communicated

Domain 5: Individual Rights

- 5A-Informed of Complaint Process
- 5B-Informed of Rights
- 5C-Funds/Possessions
- 5D-Restricitve Interventions

The Key Elements are divided into subelements for each aspect of the Key Element that is assessed. For example, in Domain 1, Key Element 1A has been divided into three subelements: 1A.1a, 1A.1b, 1A.1c:

- 1A. The provider has a current written quality management plan that is shared with staff and integrates QA/QI throughout the organization.
    - 1A.1a The provider has a QM Plan that reflects current QA/QI activities or strategies
    - 1A.1b The QM plan integrates QA and QI processes throughout the organization including the provider's clinical and business practices
    - 1A.1c The provider integrates feedback from external sources (e.g. LME monitoring, accrediting organization surveys, DMH/DD/SAS audits, etc.) into its QM program and develops and implements plans of correction/ improvement as required

The Provider Monitoring Tool is automated to make the process more efficient, which saves time and allows monitoring resources to be directed to where they are most needed. Through an electronic scoring system, the rating for each subelement is automatically aggregated to generate a single rating for the Key Element. The rating for the Key Element is automatically displayed on the Provider Monitoring Report. The Provider Monitoring Report is an individualized report for each provider that incorporates an explanation of important findings and results.

IV. WHEN TO USE THE TOOL

The Provider Monitoring Tool should be used **only after the LME has reviewed all available information about a provider's performance.** When a review of this information indicates that more specific and/or pervasive monitoring is indicated, the **appropriate component(s) of the tool (worksheet or worksheets)** should be used to determine the nature and extent of the problem. Monitoring is indicated when:

- There is evidence of noncompliance
- There are eminent health and safety issues
- The monitoring is within the LME's purview

In other words, monitoring is not to be done in an arbitrary and capricious fashion "just because."

There may be instances when the LME finds it necessary to administer the tool in its entirety in order to establish a baseline. For example:

- When a review of information available about a provider's performance identifies concerns related to noncompliance and/or health and safety issues in multiple rule areas
- When the LME has limited information on a provider and/or the provider scores low on multiple areas of the FEM

V. PHASES OF THE PROVIDER MONITORING PROCESS

There are three phases of the monitoring process:

- Pre-monitoring—this includes a desk review of documentation prior to the visit, organizing the team for the on-site visit (if applicable*) and notifying the provider of the monitoring visit (unless the visit is to be unannounced)

- On-site*—this includes all the tasks involved in completing a worksheet or worksheets, as well as the debriefing with the provider
- Post-monitoring—this includes completion and dissemination of the report to the provider, and all follow-up on required actions as indicated

***Throughout this guide, the implication is that the monitoring is conducted on-site. However, due to budgetary constraints, this monitoring review may take place either on-site at the provider agency or at the LME.**

Sections VI-XIV of this guide discuss in detail the activities associated with each phase of the monitoring process.

VI. ORGANIZING THE MONITORING REVIEW TEAM FOR THE ON-SITE VISIT

If the monitoring is being done by a team, one reviewer should be assigned as the team leader to organize the team prior to the on-site visit, to coordinate the team's activities while on-site, and for completion and dissemination of the report. The team leader should request that the provider assign a "liaison" to the team for coordination of review activities and communication during the review.

The LME should notify the provider of the review **no more than two weeks in advance of the on-site visit.** A letter announcing the monitoring visit should also be sent to the provider (see Appendix J for a sample letter). Notification of the sample selection should occur **not more that one day prior to the on-site visit**. The LME has the right and responsibility under both the provider contract and the provider services agreement for participation in the Medicaid program to conduct unannounced reviews when necessary.

VII. DESK REVIEW ACTIVITIES PRIOR TO THE ON-SITE REVIEW

While most of the review is completed on-site, the monitoring team should gather and review the appropriate documents as a desk review prior to the site visit. These documents are outlined in the section of this guide related to the individual worksheets.

Reviewing all available information about a provider's performance as well as consulting with other staff responsible for monitoring the provider will provide additional information that can sensitize the monitoring team to any issues to be aware of during the review.

VIII. SAMPLE SELECTION

Because the samples reviewed for the completion of the worksheets are relatively small, sample selection is crucial in obtaining a meaningful result using the tool. While simple random sampling involves each "unit" (i.e., a service record) having an equal probability of being selected, it is not ideal for the completion of this tool. Selecting a sample must be done somewhat more strategically for the completion of this tool. The reviewer should take care to ensure that the sample represents a cross-section of individuals/families along the continuum to the extent possible. For example, individuals/families receiving multiple services as well as

individuals/families receiving only one service should be represented in the sample; individuals involved in incidents as well as those who are not should be represented in the sample. In addition, if a noncompliance is alleged to have occurred at a certain time, the sample of records to be reviewed would consist of the timeframe around which the incident is alleged to have occurred as well as other points in time to corroborate whether the problem is systemic or specific to the particular point in time.

As appropriate, the documentation to be reviewed in selecting the sample may include, but is not limited to:

- Restrictive intervention logs (if applicable)
- Incident reports
- Complaints

IX. THE WORKSHEETS

The five worksheets accompanying the Provider Monitoring Tool each represent a different domain. The worksheets use documentation/record reviews and structured interviews of agency personnel or individuals/legally responsible persons. The Key Element ratings and comments entered on the worksheets are automatically entered on the Provider Monitoring Report.

Most domains require more than one method of gathering evidence. For example, in reviewing the provider's QM plan, activities and strategies, it is necessary to interview staff about how the agency ensures quality service are provided.

In general, documentation reviewed related to the organizational domains is that which has been generated since the last monitoring review or within the last year, whichever is more recent. For the person-centered domains, the documentation reviewed is that which has been generated since the last monitoring visit or within the last six months, whichever is more recent.

If ratings are not entered electronically during the on-site review, the sheet labeled Rating Choices on the tool may be printed out and a separate worksheet may be used for each record review or interview conducted. This allows the reviewer to circle the appropriate rating choice for each subelement. The data may then be entered electronically off-site.

Specific instructions for entering data electronically into the worksheets may be found in Appendix K.

Domain 1/Worksheet #1: Quality Management

Key Elements:

- 1A1—Quality Management Plan (Documentation)
- 1A2—Quality Management Plan (Staff Understanding)
- 1B1—Quality Assurance/Quality Improvement Activities (Documentation)
- 1C1—Use of Data for Quality Management (Documentation)
- 1D1—Use of Incident/Complaint Data for Risk Management (Documentation)
- 1D2—Use of Incident/Complaint Data for Risk Management (Staff Understanding)
- 1E1—Safeguarding Rights (Documentation)

This worksheet is a review of the quality management plan and activities related to quality management. If the documentation is requested from the provider in advance, much of this

review can be conducted as a desk review prior to the on-site visit. The maximum number of staff interviews conducted to complete this worksheet is ten (10).

Documentation requested from the provider agency may include:

- Provider agency's Quality Management Plan
- Documentation tracking quality improvement initiatives
- Minutes from committees that address quality management
- Sample data reports for tracking complaints, incidents, customer satisfaction
- Provider agency's grievance/complaints and rights policies and procedures
- Minutes of Client Rights/Intervention Committee meetings as allowable in 10A NCAC 27G .0504

Guide for the Reviewer:

Requesting that the provider gather and provide materials ahead of time saves time during the review. Some of the review from this Worksheet can be completed as a desk review prior to the onsite monitoring review.

While the worksheets may be completed by more than one reviewer, it is probably best for one person to complete Worksheet 1 in order to maintain continuity in the review process.

1D.2: How are complaints and incidents data used to improve services and/or to reduce the risk of adverse occurrences to individuals? —The level of detail in the response should be different based on the level of staff being interviewed. For example, a paraprofessional may respond that they would tell their supervisor; a professional may discuss incident reports and quality management.

Sample:

- If this worksheet is completed during the same monitoring as Worksheet 3, use the same sample for interviews
- If this is the only worksheet completed during the monitoring, choose a sample of personnel providing direct care or clinical supervision
- Interview 8-10 personnel
- If the provider has fewer than 8 personnel, interview all personnel
- Whenever possible, interview staff who have been employed by the provider for at least 6 consecutive months
- Identifying a larger sample than what is actually required by the sampling methodology above can help ensure all interviews are conducted in order to complete the worksheet. In the event that a staff person is not available for interview within a reasonable time, another staff person in the sample can be interviewed.

Domain 2/Worksheet #2: Protection From Harm—Provider Response to Incidents and Complaints

Key Elements:

- 2A1—Incident Reporting (Categorization)
- 2B1—Incident Reporting (Notification)
- 2C1—Timely Submission of Incidents (Documentation)
- 2D1—Response to Incidents (Documentation)
- 2E1—Response to Complaints (Documentation)

This worksheet is used to review incidents and complaints across the provider agency. Use a single worksheet to rate all incidents or complaints in the sample in order to obtain an overall rating for the entire provider agency. The maximum number of incidents reviewed is 15 and the maximum number of complaints reviewed is nine (9).

Documentation requested from the provider agency may include:

- Complaints and rights policies and procedures
- Policies and procedures related to response to incidents
- All Level I (from the provider), Level II and III incident reports and complaint reports (substantiated and unsubstantiated) from the past year or since the last monitoring review, whichever is more recent.

Guide for the Reviewer:

2A. The provider reports incidents according to DMH/DD/SAS requirements: An incident is defined by 10A NCAC 27G .0103 as "any happening which is not consistent with the routine operation of a facility or service in the routine care of a client and that is likely to lead to adverse affects upon a client." Incidents are reviewed to determine if they are categorized properly.

2A.1b Indicate whether or not the incident report was properly categorized: Incidents are categorized as follows:

- Level I—meets the definition of "incident" (see above), but does not meet the definition of a Level II or Level III incident (see below)
- Level II—meets the definition of "incident" (see above) and results in a threat to a client's health, safety; or a threat to the health, safety of others due to client behavior and does not meet definition of a level III incident.
- Level III—meets the definition of "incident" (see above) and results in
    (a) a death, permanent physical or psychological impairment to a client;
    (b) a death, permanent physical or psychological impairment caused by a client; or
    (c) a threat to public safety caused by a client.

2C. Incident reports submitted by the provider are timely: Review both Level II and III incident reports (**2C.1a Sample Level II and III incident reports to determine if reported within required timelines**) and/or quarterly reports as required for Level I incidents (**2C.1b Sample the 4 most recent quarterly Level 1 incidents summary reports to determine f the reports were submitted by the due date**) to determine whether the reports were submitted in a timely manner according to the following timelines:

- Level I—reported quarterly to the LME and must be submitted by the 20th of the month following the end of the quarter as follows:
    - First quarter (July-September) due October 20th

- Second quarter (October-December) due January 20th
- Third quarter (January-March) due April 20th
- Fourth quarter (April-June) due July 20th

- Level II & III incidents as follows:

Type of Incident	Report to Host LME	Report to Home LME	Report to DMH/DD/SAS *(all providers)*	Report to DHSR *(122C-Licensed providers only)*
Level II incident (including death from natural cause)	Written report within 72 hours	If required by contract	No report	No report
Level III incident (other than death or unknown cause)	Verbal report immediately	Verbal report immediately	Written report within 72 hours	No report
Death from suicide, accident, homicide other violence or unknown cause	Written report within 72 hours	Written report within 72 hours		Written report within 72 hours
Death within 7 days of seclusion or restraint	Written report within 72 hours	Written report immediately	Written report immediately	Written report immediately

2D. The provider's response to incidents is appropriate and timely: Review the provider's policies and procedures related to response to incidents in order to determine if they were followed for the sampled incidents. 10A NCAC 27G .0603 outlines the incident response requirements for providers.

If there were no incidents: If there were no incidents and documentation and record reviews and interviews reflect that no incidents occurred that were not reported, those subelements related to incidents should be scored "Not Rated. "The comments section should reflect that the documentation review and the interview revealed no evidence of incidents.

2E. The provider response to complaints is appropriate and timely: Review the provider's policies and procedures related to response to complaints in order to determine if they were followed for the sampled complaints. If there are no complaints documented on the complaint log, or if the provider does not use a complaint log, review other documentation (e.g., client

rights committee minutes, service records) or conduct interviews with staff or individuals/families for evidence of complaints.

If there were no complaints: If documentation and record reviews and interviews reveal that there were no complaints, those subelements related to complaints should be scored "Not Rated." The comments section should reflect that documentation review and interview revealed no evidence of any complaints.

Sample:

- Select 9 incidents from the report to review (3 from each Level I, II, and III category) across all the provider's services in the LME catchment area. (Level I incidents should be reviewed only to verify that they were properly classified as Level I incidents).
- If there are no Level III incidents, select more Level II incidents in order to have a total of 9 incidents.
- Incidents are selected from **each service if possible.**
- If the provider has fewer than 12 incidents, review all incidents.
- Randomly select 9 documented complaints within the past year or since the last monitoring, whichever is more recent. If there are fewer than 9 complaints, review them all.
- If during the review of an individual's service record (if Worksheet 4 is completed during this monitoring) or restrictive intervention log (if Worksheet 5 is completed during this monitoring), a team member finds an incident that is not in the sample, the incident will be added to the sample and reviewed (up to a total of 15 incidents with no more than 2 incidents for the same individual).

Domain 3/Worksheet #3: Staff Competencies and Experience

Key Elements:

- 3A1—Qualifications/Experience (Documentation)
- 3B1—Background Checks/Disclosures (Documentation)
- 3C1—Job Description Meets Requirements (Documentation)
- 3C2—Job Description Meets Requirements (Staff Interview)
- 3D1—Clinical Supervision (Documentation)
- 3D2—Clinical Supervision (Staff Interview)
- 3E1—Required Training (Documentation)

This worksheet encompasses a review of the personnel of the provider agency across the services the organization provides. The maximum number of personnel records reviewed is based on the number of services the agency provides as specified in the sampling methodology below. The maximum number of personnel interviews conducted to complete this worksheet is ten (10).

Documentation requested from the provider may include:

- Personnel records
- Supervision plans
- Training records and calendars
- Staffing schedules and timesheets (where applicable)

- Provider's policies on hiring qualified staff
- Staff signature file
- Documentation to establish a date of hire (e.g. W-4 forms, payroll information, I-9 forms)

Guide for the Reviewer:

Note that the documentation review may be supplemented with additional interviews with staff and other key informants when necessary to determine the rating for a given area.

Due to the sensitive and confidential nature of some information in personnel records, it is recommended that a representative of the provider agency handle the personnel record and provide to the reviewer only that information that is necessary for completion of the tool. In other words, the reviewer should not be given the complete personnel record.

3A.1b Education (e.g., copy of diploma/GED for paraprofessionals, and copy of official transcript and/or evidence of degree for all others): While there is no rule requiring transcripts, transcripts are used as a mechanism to verify educational background and to demonstrate whether on not an individual has a degree in a human service field (QPs and & APs only). Actual official transcripts are not required; copies of official transcripts are sufficient. Essentially, the reviewer should look for documentation that the education was verified via transcript/diploma or, if in question, a check of an appropriate website. There are various websites to determine whether a degree/diploma is from a degree/diploma mill or an accredited school; if there are concerns in this area, LMEs or providers may refer to one of the websites. Two such websites are:
http://www2.ed.gov/students/prep/college/diplomamills/index.html
http://www.chea.org/
Refer also to the Key Elements Citation Table (Appendix G or H) for Worksheet 3, Key Element 3A.

3A.1c: Verification of experience to determine professional status and to verify experience with population to be served. Look for documentation that experience was verified. There may be notes that experience was verified though a phone call to a former employer/supervisor during a reference check.

3B.1a Provider conducts criminal background checks and requires disclosure of criminal conviction in accordance with rule. Use the following to determine if this subelement is met:

- **For community based providers not requiring licensure by DHSR:**
  10A NCAC 27G .0202 PERSONNEL REQUIREMENTS
  (c) All facilities or services shall require that all applicants for employment disclose any criminal conviction. The impact of this information on a decision regarding employment shall be based upon the offense in relationship to the job for which the applicant is applying.

- **For CAP-MR/DD Waiver Services:**
  Per the CAP-MR/DD Comprehensive Waiver and the CAP-MR/DD Supports Waiver:
  Appendix C Participant Services/C-2 General Service Specifications:

  Criminal background checks must be conducted on all prospective employees MH/DD/SAS provider agencies who may have direct access to participants served. This includes direct care positions, administrative positions, and other support positions that have contact with

participants served. When prospective employees have lived in North Carolina for less than five consecutive years, a national criminal record check is obtained. When prospective employees have lived in the state for more than five years, only a state criminal record check is required.

Criminal record checks must be obtained for any job applicant under serious consideration. Criminal background checks must be performed in advance of payment to the employee for the performance of services. The results of the criminal record check do not mandate that the prospective employee is not hired but must be taking in consideration in the hiring decision.

The provider's responsibility to conduct criminal record checks on all employees who have direct access to participants is monitored by the LME during the endorsement procedure and during routine provider monitoring.

3C.1a: The job description meets the personnel requirements outlined in the service definition. Compare the service definition in place **at the time of service delivery** to assure that the provider is monitored against the correct service definition that was in effect at the time the service was delivered. In cases of multiple job descriptions, the LME may ask for work schedules or timesheets as evidence of compliance with this subelement.

3E. Employees receive the required training: In completing subelements under this Key Element, training certificates, attestations, training rosters/sign in sheets or pre/post tests are sufficient. Review of curricula is not necessary for completion of the Provider Monitoring Tool, though it may be necessary when targeted or focused monitoring is done.

Interview questions:
The questions on this worksheet are suggested to assist the reviewer in gathering sufficient information to make a rating decision. As long as questions are pertinent to determining a rating, reviewers may revise and alter questions to fit the interview circumstances.

- Asking the provider "liaison" to assist in coordinating the interviews can help ensure that all interviews are completed in a timely manner.
- Each question is applicable to all types of staff UNLESS indicated in the question that it is for a particular category of staff.

Interviews may be supplemented with a documentation review or additional interview questions in order to determine a rating for a given area.

Documentation Review Sample:

- For the personnel record review, review the records of clinical staff or paraprofessional staff.
- If this worksheet is being completed during the same monitoring as Worksheet 4, the personnel sample should be selected from staff working with individuals whose service records are in the sample.
- If this is the only worksheet being completed during the monitoring, choose a sample of personnel records and include licensed professionals, qualified professionals, associate professionals, and paraprofessionals.
- If the provider has only 1 service, review 8-10 personnel records (if the provider has fewer than 8 personnel, review the records for all personnel).

- If the provider has 2-3 services, review 5 personnel records from each service.
- If the provider has 4-6 services, review 3 personnel records from each service.
- If the provider has 7-10 services, review 2 personnel records from each service.
- If the provider has more then 10 services, review at least 1 personnel record from each service.
- For providers of CAP-MR/DD and Community Support: CAP-MR/DD services will not be reviewed as individual services, but according to the groupings outlined in Appendix J. Community Support-Adult, Community Support-Children/Adolescents, and Community Support-Group are also clustered. Sampling should include providers of all population groups served by the provider to the extent possible. Note that Community Support Team is a separate service and should not be grouped with Community Support-Adult, Community Support-Children/Adolescents, and Community Support-Group.

Interview Sample:

- From the Personnel Documentation sample above, interview 8-10 personnel.
- If the provider has fewer than 8 personnel, interview all personnel.
- Whenever possible, interview staff who have been employed by the provider for at least 6 consecutive months.
- If Worksheet 4 is completed during this monitoring, select personnel that have worked with the individuals in the sample for at least 60 days.
- Identifying a larger sample than what is actually required by the sampling methodology above can help ensure all interviews are conducted in order to complete the worksheet. In the event that a staff person is not available for interview within a reasonable time, another staff person in the sample can be interviewed.

Domain 4/Worksheet #4: Person-Centered Planning/Person-Centered Services and Supports

Key Elements:

- 4A—PCP/Service Plan Incorporates Assessment
- 4B—Plan Addresses Individual's Needs
- 4C—Crisis Plan
- 4D—QP Monitors Implementation and Revises
- 4E—Service Implementation
- 4F—Coordination of Services
- 4G—Need for Changes Communicated

This worksheet is used to review service records and conduct interviews for a sample of individuals/families being served by the provider agency across the services the organization provides. The maximum number or records reviewed is based on the number of services the agency provides as specified in the sampling methodology below.

Documentation requested from the provider agency may include:

- Service records of the individuals in the sample

Guide for the Reviewer:

Areas of the service record reviewed include assessments, Person-Centered Plans or service plans, and service notes. **Note that the term Person-Centered Plan is used throughout Worksheet 4. The Division embraces the concept of person-centeredness in service planning, whether the PCP is used or not. If the record being reviewed is for an individual receiving a service that does not require a PCP, review the service plan instead. Components of Worksheet 4 specific only to the PCP should be marked "Not Rated" or "Not Applicable" when reviewing a service plan.**

With regard to which services require a PCP, the *DMH/DD/SAS Records Management and Documentation Manual* addresses the PCP vs. the service plan as follows:

> A Person-Centered Plan is required for most Medicaid-funded MH/DD/SA services. A PCP is required for all Community Intervention Services delineated in DMA's *Clinical Coverage Policy 8A* and those same services when they are State-funded, except for assessments and crisis services (e.g., the Diagnostic Assessment, Mobile Crisis Management, and detoxification services). A PCP is also required for all other services, including State-defined services, when they are provided in conjunction with a MH/DD/SA Community Intervention Service. The link to *Clinical Coverage Policy 8A* can be accessed here:
> http://www.ncdhhs.gov/dma/bh/8A.pdf
>
> There are some services for which a Person-Centered Plan is not required. A PCP is not required for individuals receiving only outpatient and/or medication management. When a PCP is not required, a plan of care, service plan, or treatment plan, consistent with and supportive of the service provided and within professional standards of practice, is required on or before the day the service is delivered. For additional information, please see the Medicaid *Clinical Coverage Policy 8-C - Outpatient Behavioral Health Services Provided by Direct-Enrolled Providers*:
> http://www.ncdhhs.gov/dma/bh/8C.pdf.

CAP-MR/DD services are clustered according to the groupings in Appendix J. Community Support-Individual and Community Support-Group are clustered according to the groupings noted in the sampling methodology below.

4A.1b Information from the most recent comprehensive clinical assessment and/or updated assessment was incorporated into the PCP: Because the intent of this subelement is to determine whether the PCP reflects changing needs or any information identified in the assessment, it may be necessary to review documentation which is more than 6 months old in order to arrive at a rating decision for this subelement.

4B.1c Includes both informal (natural supports, community resources) and formal (paid) supports: Review the PCP Action Plan section, primarily the How (Support/Intervention) section or the Who is Responsible column for individualized support—a person's name, relationship, or role such as mother, partner, best friend, pastor, AA sponsor; "family" is not specific enough.

4C.1a The Crisis Prevention and Intervention Plan identifies characteristics and observations of behavior that may trigger the onset of a crisis: Per the *Person-Centered Planning Instruction Manual*, plans should:

- Include information on health and wellness issues. Are there physical medical issues that contribute to this person's vulnerability to crisis? Are there physical medical issues that need to be addressed in the wake of a crisis?
- Describe in detail the known behaviors a person/family may identify which indicate to others that they need to take over responsibility for that person's care and make decisions on that person's behalf. Include information on the kinds of supports that may be effective for this person.
- Include information on environmental factors that may contribute to the onset of crisis and how those could possibly be controlled.
- Include information learned from previous episodes that may contribute to the success of crisis de-escalation or crisis diversion actions.
- Incorporate information gathered from the One Page Profile.

4C.1b The plan lists crisis prevention and early intervention strategies to help the individual avoid a crisis: Per the *Person-Centered Planning Instruction Manual*, plans should:

- List coping skills the person has learned or has used in the past to decrease the potential of going into crisis.
- Provide a detailed description of strategies that will be used to assist the person in avoiding a crisis. Strategies should be based on knowledge, information, and feedback from the person/family and other team members as well as strategies that have been effective in the past. Include opportunities for the person to exercise self-soothing skills developed and calming strategies such as consciously breathing deeply.
- Incorporate information gathered from the One Page Profile.

4C.1c The plan includes strategies for crisis response and stabilization [may include both informal (natural supports, community resources) and formal (paid) supports]: Per the *Person-Centered Planning Instruction Manual*, plans should:

- Provide a detailed description of strategies to be implemented to help the person/family stabilize during a crisis. Strategies should be based on knowledge, information and feedback from the person/family and other team members as well as effective intervention strategies identified during the person's day to day life and from previous crises and problem resolution.
- Steps should focus first on natural and community supports, starting with the least restrictive interventions.
- Incorporate information gathered from the One Page Profile.
- Positive behavioral supports and approaches other than calling in law enforcement to deal with a crisis should be sought. Law enforcement should be called as a last resort only. If calling law enforcement is part of the plan, law enforcement should be involved in the plan development and their role determined ahead of time.

4C.1d The plan includes recommendations for interacting with the individual receiving a Crisis Service: Per the *Person-Centered Planning Instruction Manual*, plans should:

- Include information for use at a Crisis Service, most likely by staff who do not know this individual/family well or at all. Address what the staff need to know or do immediately.
- List specific detailed information learned from this person/family about the type of interaction and treatment that is helpful during a crisis and also the type of things that need to be avoided.
- Incorporate information gathered from the One Page Profile.

4E.1a Compare the service notes and other documentation to the PCP in effect at the time to verify if the individual is receiving the type, amount and duration of services described in the plan: Review the Action Plan, particularly Service & Frequency, Who is Responsible, and How (Support/Intervention) for each goal as well as duration on service notes to determine if the individual receives the duration and intensity of services to support his/her needs.

4F.1 Review a sample of individual records (service notes and other documentation) for evidence of communication and coordination with other service providers and community supports that were identified in the Person Centered Plan: Review PCP Action Plan, Service notes, authorizations to release information, fax receipts, and team meeting notes for documentation of efforts to link, oral and/or written communication with service providers and community supports identified on the PCP.

Interview questions:
The questions on this worksheet are guides for the reviewer and are not to be considered as the only way to ask a particular question. The reviewer has flexibility to alter questions to suit the situation and best communicate the intent of a question. Reviewers should tailor the questions according to the ability of the individual/family/legally responsible person to understand. Questions may also be reworded as needed when interviewing the legally responsible person. When necessary, ask the person being interviewed to elaborate as necessary (rather than accept "yes" or "no" responses) in order to collect sufficient information to aid in answering the question as a part of monitoring the provider.

For interviews, start with an introduction, explaining who you are and why you would like to ask the individual/family some questions about their services. Let the individual/family know that this is voluntary, that they should feel free to decline to be interviewed. Advise the individual/family that there is no right or wrong answer; it is his or her perspective on the services that the person is receiving. It is possible that the individual/family has also participated in other surveys that ask similar questions. Let the individual know that while this may occur, his or her perspective on the provider's services is very important even though there might appear to be some redundancy.

Documentation Review Sample:

- The sample may potentially include individuals/families active in service as well as those recently terminated from service (if those individuals have received services **within the last 6 months**).
- If provider has only 1 service, review 8-10 service records.
- If the provider serves fewer than 8 individuals/families, review all service records.
- If the provider has 2-3 services, review 5 service records from each service.

- If the provider has 4-6 services, review 3 service records from each service.
- If the provider has 7-10 services, review 2 service records from each service.
- If the provider has more than 10 services, review at least 1 service record from each service.
- For the service record review, select the number of service records indicated by the sampling methodology. If more than one record is indicated, obtain them from different age and/or disability groups if possible.

Interview Sample:

- From the Record sample (above), interview 8-10 individuals (or legally responsible person).
- If the provider serves fewer than 8 individuals, interview all individuals/families
- If possible, interview at least 2 individuals per disability and age group (if a child, interview the parent and/or legal guardian).
- For providers of CAP-MR/DD and Community Support: CAP-MR/DD services should not be reviewed as individual services, but according to the groupings outlined in Appendix J. Community Support-Adult, Community Support-Children/Adolescents, and Community Support-Group are also clustered. Sampling should include providers of all population groups served by the provider to the extent possible. Note that Community Support Team is a separate service and should not be grouped with Community Support-Adult, Community Support-Children/Adolescents, and Community Support-Group.
- Identifying a larger sample than what is actually required by the sampling methodology above can help ensure that all interviews are conducted in order to complete the worksheet. In the event that an individual or legally responsible person is not available for interview within a reasonable time, another individual/family/legally responsible person in the sample can be interviewed.

Domain 5/Worksheet #5: Individual Rights

Key Elements:

- 5A2—Informed of Complaints Process (Interviews)
- 5B1—Informed of Rights (Documentation)
- 5B2—Informed of Rights (Interviews)
- 5C1—Funds/Possessions (Documentation)
- 5C2—Funds/Possessions (Interviews)
- 6D1—Restrictive Interventions (Documentation)

This worksheet reviews the provider's compliance related to individual rights for a sample of individuals/families across all the services the agency provides. The number or records reviewed is based on the number of services the agency provides based on the sampling methodology below. The maximum number of individual/family/legally responsible person interviews is ten (10).

Documentation requested from the provider agency may include:

- Restrictive intervention logs
- Records of accounting for personal funds for individuals in the sample

- Service records of individuals in the sample
- Client rights committee minutes related to restrictive interventions
- Consents and client rights acknowledgments

Guide for the Reviewer:

The interview questions on this worksheet are guides for the reviewer and are not to be considered as the only way to ask a particular question. The reviewer has flexibility to alter questions to suit the situation and best communicate the intent of a question. Reviewers should tailor questions to the ability of the individual/family/legally responsible person to understand. Questions may also be reworded as needed when interviewing the legally responsible person as long as the basic intent of the question is maintained. When necessary, ask the person being interviewed to elaborate as necessary (rather than to just accept "yes" or "no" responses) in order to collect sufficient information to aid in answering the question and in monitoring the provider.

Start the interview with an introduction, explaining who you are and why you would like to ask the individual/family some questions about their services. Let the individual/family know that participation in the interview is voluntary, that they should feel free to decline to be interviewed. Advise the individual that there is no right or wrong answer; that we are interested in his or her perspective on the services that the person is receiving. It is possible that the individual/family has also participated in other surveys that ask similar questions. Let the individual/family know that while this may occur, his or her perspective on the provider's services is very important even though there might be some repetition.

Documentation Review Sample:

- The sample may potentially include individuals/families active in service as well as those recently terminated from service (if those individuals have received services **within the last 6 months**).
- If provider has only 1 service, review 8-10 service records.
- If the provider serves fewer than 8 individuals, review all service records.
- If the provider has 2-3 services, review 5 service records from each service.
- If the provider has 4-6 services, review 3 service records from each service.
- If the provider has 7-10 services, review 2 service records from each service.
- If the provider has more than 10 services, review at least 1 service record from each service.
- For the service record review, select the number of service records indicated by the sampling methodology. If more than one record is indicated, obtain them from different age and/or disability groups if possible.

Interview Sample:

- From the Record sample (above), interview 8-10 individuals/families (or the legally responsible person).
- If the provider serves fewer than 8 individuals, interview all individuals/families.
- If possible, interview at least 2 individuals per disability and age group (if a child, interview the parent and/or legal guardian).
- Identifying a larger sample than what is actually required by the sampling methodology above can help ensure all interviews are conducted in order to complete the worksheet.

In the event that an individual/family or legally responsible person is not available for interview within a reasonable time, another individual/family/legally responsible person in the sample can be interviewed.

X. RATINGS

Ratings for each subelement are determined on-site. The reviewer has several options for recording these ratings: either by using the drop-down menu on the worksheets (when completing the worksheets electronically*) or by printing Worksheets #1-#5 in the Excel file titled Provider Monitoring Report Showing Rating Choices or by printing the blank worksheets and completing the using the Rating Choices sheet from the tool as a reference. Refer to Appendix K for more detailed instructions on entering ratings onto the worksheets.

Once all relevant information has been reviewed and assessed, the reviewer assigns a rating to each element/subelement from the choices provided on the monitoring worksheet. Appendix L provide sample data that has been entered onto the tool and shows the corresponding rating choices. Appendix M is the template for the monitoring report, which is automatically generated based on the data populated onto the worksheets. Appendix M should be downloaded and used to generate a report for each provider monitoring event.

Each worksheet has space provided for comments under every key element. The comments add value to the report above and beyond the actual ratings. It is important for the comments to document any relevant information related to the key element/subelement (i.e. why a key element/subelement is “not met” or what service the “not met” finding was related to). The comments should be brief, but should descriptive enough to allow the provider to use them to improve services and/or develop a plan of correction. Comments should address strengths as well as weaknesses.

While rating decisions should be made based on the data as it exists at the time of the review, a reasonable effort should be made to allow the provider to validate compliance. If the documentation is not present in the personnel or service record, do not assume that it does not exist. Notify the provider of the missing information and ask them to locate it and make it available by the end of the monitoring visit. If the provider can provide documentation to substantiate compliance, then the key element/subelement should be rated “met” (or whatever descriptive rating signifies that the provider is in compliance in that area). The reviewer may find that the documentation provided shows that the provider was not in compliance. In cases where non-compliance is identified, the reviewer’s comments should address the nature of the non-compliance.

Some elements/subelements provide a “**Not Applicable**” rating option. This was done for elements/subelements that were anticipated to not apply to all providers or to a particular document or interview in the sample. For example:

- On Worksheet 1, in the case of subelement 1A.1d, “The provider integrates feedback from external sources (e.g. LME monitoring, accrediting organization surveys, DMH/DD/SAS audits, etc) into its QM program and develops and implements plans of correction/improvement as required,” it was anticipated that there may be providers who have not received feedback from external sources that would require or result in the

provider developing a plan of correction/improvement. In this case, the subelement would be rated "Not Applicable."

- On Worksheet 3, in the case of subelement 3A.1a, "Verify the provider's hiring policy and procedure meets minimum state requirements and is followed for sample of licensed professionals, qualified professionals, associate professionals, and paraprofessionals: License/Certification," it was anticipated that there may be individual provider staff in the sample of records reviewed that are not required to be licensed/certified.

- In both of the above cases, the monitoring tool gives the provider credit for a "Not Applicable" rating in determining the overall rating for the element.

All elements/subelements provide a "**Not Rated**" rating option. This option was provided to allow for cases where the subelement could not be rated for any number of reasons (e.g. an interviewee declined to answer a question or was unable to complete the interview for reasons beyond his/her control; the LME opted to use the monitoring tool worksheet(s) to conduct focused monitoring, etc.). The monitoring tool ignores ratings that are marked "Not Rated" when calculating the overall rating for the element. If an element/subelement is marked "Not Rated", the reviewer should provide a brief explanation in the comments section.

If the reviewer determines that an element/subelement is "Not Applicable", and this rating option was not provided, the reviewer should assign a "Not Rated" to that element/subelement and explain the reason that it is not applicable in the comments section.

When the worksheets are completed electronically, the tool automatically calculates the provider's overall rating for the element as High, Moderate, or Low and enters this rating on the monitoring worksheet and on the provider monitoring report. The provider monitoring report adds text to each rating to explain what the rating means. Note that for a few Key Elements, only a High or Low rating is possible.

It is recognized that LMEs will use various combinations of staff and divide the review tasks according to available staff resources. If more than one reviewer gathers data for a certain worksheet, the data must all be entered into one master file in order to generate the Provider Monitoring Report. For example, if three reviewers conduct personnel interviews (Worksheet #3), data entry will be coordinated among the three reviewers to ensure that all results and findings are entered into one master file.

XI. DEBRIEFING

At the end of the monitoring visit and while on-site, the members of the LME's monitoring team should engage in a brief verbal review of findings. A designated member of the team shall offer to share the highlights of findings with the provider agency's designee. The debriefing should be very general and should address strengths as well as weaknesses identified during the monitoring visit. A cursory verbal review of the results will be offered at the end of the monitoring visit which may not be inclusive of all findings. Advise the provider agency's designee that the LME will have the final written report to the provider agency within 10 business days of the close of the monitoring visit.

The LME should report/discuss potentially harmful findings related to health and safety directly with the provider while on-site. Serious/critical health and safety issues shall be reported to the appropriate authority immediately (e.g. DSS, DMH/DD/SAS).

XII. PROVIDER MONITORING REPORT & REQUIRED ACTIONS

The Provider Monitoring Report contains a single rating for each Key Element for the entire provider agency (across all sites/services). The ratings indicate areas where the provider is doing well and where improvement is needed. The Required Action refers to the disposition automatically assigned to each Key Element based on the rating for that Key Element. These required actions reflect various levels of intensity required in the follow-up on identified issues. The tab on the tool labeled Ratings & Actions Required summarizes required actions for each possible rating for each Key Element. The Provider Monitoring Report automatically assigns each Key Element a required action based on the element's rating (explained below).

- No Action (NONE) – When this action is assigned to an element, it signifies that all requirements associated with the item's subelements are being met or exceeded by the provider agency. There are no other actions required of the LME or the provider related to this element; however, this does not preclude a review team member from making a comment for any subelement in the space provided.

- Recommendation for Improvement (REC) – When this action is assigned to an element, it signifies to the provider agency the need for improvement in one or more specified areas. Findings may indicate that not all criteria associated with the subelements are being met or that one or more of the methods by which the provider agency attempts to meet the criteria are deficient in accomplishing the purpose. The comments and/or recommendations generated for each subelement (required for those that do not earn the highest rating) will populate the report and may suggest a specific action (e.g., technical assistance, training, or consultation) or may simply identify the criteria that need to be addressed. There will be no formal follow-up required, but the item(s) may be scrutinized during the next monitoring visit.

- Plan of Correction (POC) – When this action is assigned to an element, it signifies that there is a deficiency in one or more the item's subelements sufficient to require a POC. There will be one comprehensive POC, developed by the provider agency, addressing all elements with this action required. If the highest level of required action is a POC, the POC will be developed and implemented according to the process outlined in the DMH/DD/SAS Policy and Procedure for the Review, Approval and Follow-up of Plan(s) of Correction (Appendix N). **When one or more Key Elements require a POC and other Key Elements require a POC-FM, the LME shall defer the request for a POC until after the focused monitoring has been completed.**

- Plan of Correction with Focused Monitoring (POC-FM) – Focused monitoring is the highest level of follow-up that occurs from the provider monitoring process. When this action is assigned to an element, it signifies that there is a deficiency in one or more areas sufficient enough to require further monitoring to determine the extent of the problem **prior to issuing the request for the POC**. No later than 15 calendar days after receipt or attempted delivery of the report, the LME will complete an on-site focused (targeted) monitoring addressing all areas of deficiency. Based on the results of this focused monitoring, a POC will be requested to address the specified areas. There shall

be one comprehensive POC developed by the provider agency, addressing all areas requiring a POC. In the case of small provider agencies, where all staff or individuals receiving services were reviewed and the required action is POC-FM, the FM may not be possible since there may be nothing further to review. The LME should discuss this with the provider and follow-up on the area as with any other POC. While Community Support-Adult and Community Support-Children/Adolescents, and Community Support-Group reviewed as a cluster during the review, they are endorsed separately and must be reviewed separately if the required action is focused monitoring. Note that until all Community Support services are phased out, only the case management function of Community Support may be provided.

There may be instances when the administration of a component or components of the PMT result in the required action of a POC and the LME is able to determine that the provider has already identified the area(s) of noncompliance and implemented corrective action(s). When this occurs, the LME shall give careful consideration to the corrective actions that have been implemented or are in the process or being implemented. If the LME is able to determine that these corrective actions have addressed the noncompliance or are sufficient to address the noncompliance once carried out, then the LME should waive the request for a POC.

The identified team leader should ensure the completed report is received by the provider within 10 business days of the completion of the monitoring. The Provider Monitoring Report, the Ratings and Actions Summary Sheet (the two green tabbed worksheets) should be sent to the provider along with a cover letter. A standardized sample letter is provided in Appendix O. The completed worksheets shall be made available at the request of the provider (either electronically or in hard copy).

Follow-up monitoring may be conducted to verify that needed improvements and corrective actions were made and successfully implemented. If a provider performs well on the monitoring tool, and follow-up monitoring is not needed, the next formal monitoring will be scheduled according to the FEM guidelines or as determined based on the ongoing review of information about the provider's performance.

Performance on the Provider Monitoring Tool alone is not sufficient to result in an adverse action. It is the results of the focused or targeted monitoring which could result in an adverse action being taken by the LME. The purpose of the focused monitoring is to determine the pervasiveness of the "red flags" identified by the Provider Monitoring Tool. Consequently, if the focused monitoring confirms the nature and severity of the problem areas identified by the Provider Monitoring Tool, this could result in an adverse action being taken by an LME.

XIII. SUMMARY OF PROVIDER PERFORMANCE WITHIN THE LME CATCHMENT AREA

The Provider Monitoring Tool includes a database that can be used to consolidate, track, and analyze the results of provider monitoring visits for multiple providers or multiple reviews of the same provider. It may be used to identify and track trends within the catchment area or to prioritize future monitorings. Refer to Appendix K for detailed instructions for setting up and using the database.

FEEDBACK

Feedback and questions about the FEM or PMT should be directed to:
Provider.Monitoring@dhhs.nc.gov

LIST OF APPENDICES

Appendix A: Monitoring/Oversight Activities

Appendix B: 10A NCAC 27G .0600 AREA AUTHORITY OR COUNTY PROGRAM MONITORING OF FACILITIES AND SERVICES

Appendix C: Summary of Revisions to the PMT

Appendix D: Frequency and Extent of Monitoring Tool (FEM)

Appendix E: Abbreviated Citations, Without Text, For the Domains of the FEM

Appendix F: Citations Table for the Domains of the FEM

Appendix G: Abbreviated Citations, Without Text, For the Key Elements of the PMT

Appendix H: Citations Table for the Key Elements of the PMT

Appendix I: CAP Service Clusters

Appendix J: Sample Letter Announcing Monitoring Visit

Appendix K: Instructions and Tips For Using the Provider Monitoring Report Excel Files

Appendix L: Sample Monitoring Report

Appendix M: Template for the Provider Monitoring Tool and Report

Appendix N: Policy and Procedure for the Review, Approval and Follow-Up of Plan(s) of Correction (POC)

Appendix O: Sample Cover Letter for Provider Monitoring Report